

STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2017

A N A C T

RELATING TO HEALTH AND SAFETY - RHODE ISLAND ACCESS TO MEDICAL
TECHNOLOGY INNOVATION ACT

Introduced By: Senators Conley, Lombardo, and Coyne

Date Introduced: March 15, 2017

Referred To: Senate Health & Human Services

It is enacted by the General Assembly as follows:

1 SECTION 1. Sections 23-93-2 and 23-93-4 of the General Laws in Chapter 23-93
2 entitled "Rhode Island Access to Medical Technology Innovation Act" are hereby amended to
3 read as follows:

4 **23-93-2. Exemption for domestic medical tourism.**

5 (a) Any healthcare facility located in the state of Rhode Island specializing in domestic
6 medical tourism, and having more than ~~fifty-percent (50%)~~ seventy-five percent (75%) of its
7 patients residing outside of the state; or, ~~until July 1, 2015,~~ any in-state hospital licensed under
8 chapter 17 of title 23; or in-state health care facility under common ownership with an in-state
9 hospital licensed under chapter 17 of title 23, shall be exempt from the provisions of chapter 15 of
10 title 23; provided, however, that such healthcare facility must comply with all other applicable
11 laws and regulations governing healthcare facilities. Any applicant not compliant shall have thirty
12 (30) days to comply with this section and any applicable regulations governing this section.

13 (b) The department of health shall establish a true need of services offered by any entity
14 described in subsection (a) of this section and the ability to advance treatment and care in Rhode
15 Island.

16 (c) The department of health shall establish a mechanism to monitor the percentage of
17 patients who come from outside of Rhode Island to any health care facility described in
18 subsection (a) of this section. ~~Any~~ In addition, any healthcare facility described in subsection (a)

1 shall, on a biennial basis, certify to the department that more than ~~fifty percent (50%)~~ seventy-
2 five percent (75%) of its patients reside outside of the state.

3 ~~(e)~~(d) Any healthcare facility exempt under subsection (a) that fails to certify under
4 ~~subsection (b)~~ subsection (c) of this section, or is otherwise found by the department to have not
5 established that more than ~~fifty percent (50%)~~ seventy-five percent (75%) of its patients currently
6 reside outside of the state, shall be required to apply for a certificate of need during the next
7 review cycle established by the health services council.

8 **23-93-4. Penalties for noncompliance.**

9 (a)(1) The department, after notice and opportunity for hearing to the applicant, is
10 authorized to take corrective action in any case in which it finds that there has been failure by an
11 applicant to comply with the requirements established under any approval granted pursuant to this
12 chapter, including, without limitation, the imposition of monetary fines that may be statutorily
13 permitted by virtue of individual healthcare facility licensing statutes.

14 (2) If any person knowingly violates or fails to comply with any provision of this chapter,
15 or willingly or knowingly gives false or incorrect information, the director or attorney general,
16 after notice and opportunity for hearing to the applicant or licensee, in order to take corrective
17 action necessary to secure compliance under this chapter, is authorized to deny, suspend or
18 revoke a license, or in lieu of suspension or revocation of the license, may order the licensee to
19 admit no additional persons to the facility, and to provide health services to no additional person
20 through the facility.

21 (b) The notice shall be effected by registered or certified mail or by personal service,
22 setting forth the particular reasons for the proposed action and fixing a date not less than thirty
23 (30) days from the date of the mailing or service, at which the applicant shall be given an
24 opportunity for a prompt and fair hearing. On the basis of the hearing, or upon default of the
25 applicant, the department shall make a determination specifying its findings of fact and
26 conclusions. A copy of the determination shall be sent by registered or certified mail or served
27 personally upon the applicant. The decision shall become final thirty (30) days after it is so
28 mailed or served, unless the applicant, within such thirty-day (30) period, appeals the decision
29 pursuant to § 42-35-15. The procedure governing hearings authorized by this section shall be in
30 accordance with §§ 42-35-9 -- 42-35-13 as stipulated in § 42-35-14(a). A full and complete
31 record shall be kept of all proceedings and all testimony shall be reported but need not be
32 transcribed unless the decision is appealed pursuant to § 42-35-15. A copy or copies of the
33 transcript may be obtained by any interested party on payment of the cost of preparing the copy
34 or copies.

1 (c) The superior court may, after notice and opportunity for hearing, impose a fine of not
2 more than one million dollars (\$1,000,000) or impose a prison term of not more than five (5)
3 years.

4 ~~(e)~~(d) Nothing in this section shall limit the director's general or emergency powers under
5 §§ 23-1-1, 23-17-8 or any other authority granted to the department under the general laws.

6 SECTION 2. This act shall take effect upon passage.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
A N A C T
RELATING TO HEALTH AND SAFETY - RHODE ISLAND ACCESS TO MEDICAL
TECHNOLOGY INNOVATION ACT

1 This act would increase the percentage of out-of-state patients of a R.I. healthcare facility
2 specializing in domestic medical tourism from 50% to 75%. It would also require the department
3 of health to establish a true need for services offered by such facilities as well as a mechanism to
4 monitor the percentage of patients who come from outside of Rhode Island. In addition, where
5 the facility is in knowing violation, it would authorize the director (department of health) and the
6 attorney general, after notice and opportunity to be heard, to deny, or revoke a license, or order
7 the facility to stop offering health services. It would also authorize the superior court after notice
8 and opportunity for hearing, impose a maximum fine of one million dollars (\$1,000,000) or
9 maximum prison term of five (5) years.

10 This act would take effect upon passage.

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